

1972

Supply of accounting graduates and the demand for public accounting recruits, spring 1972

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THE SUPPLY OF ACCOUNTING GRADUATES
AND THE DEMAND FOR PUBLIC ACCOUNTING RECRUITS

SPRING 1972

Prepared by
Eric N. Melgren

American Institute of Certified Public Accountants

INTRODUCTION

In response to the need for better information on the supply of and demand for public accounting recruits, the Institute published in 1971 the first annual study on this topic.¹ This is the second of these annual studies and is intended to update the predictions of the 1971 study.

This study is based on two surveys conducted in early 1972. The Institute's staff surveyed a stratified sample of 69 firms as to their projected manpower need, and 486 colleges and universities were contacted by the American Association of Collegiate Schools of Business (AACSB) as to their supply of accounting graduates during the same period. The response to both surveys was good. Over 91% of the 69 public accounting firms replied, and this included almost all of the larger firms. The supply survey resulted in replies from schools which historically have produced approximately 80% of accounting graduates.

It is difficult to equate supply and demand and precisely identify relative trends. This is because not all accounting graduates are employed by public accounting firms and firms hire graduates who do not major in accounting. Also, respondents often report that their predictions, especially those beyond two years, are very rough approximations. This is further complicated by both surveys being conducted in unsettled economic periods.

The three sections of this report deal with the supply of accounting graduates, the demand for public accounting recruits, and the relationship between supply and demand. Each section includes commentary followed by related charts. Tables summarizing the results of the current supply and demand surveys and comparing the 1971 surveys to the 1972 surveys are presented in the appendix.

¹Park E. Leathers and Howard P. Sanders, The Supply of Accounting Graduates and the Demand for Public Accounting Recruits: Spring 1971, (New York: American Institute of Certified Public Accountants, 1971).

THE SUPPLY OF ACCOUNTING GRADUATES

Participation in Supply Survey

With the assistance of the AACSB, 486 colleges and universities were surveyed as to the supply of accounting graduates in the United States for the academic year 1970-71 and their predictions for the next five years, 1971-72 through 1975-76.

Participating schools were divided into three groups:

- *AACSB Member Schools* are members of the AACSB assembly and have been accredited by the AACSB.
- *AACSB Assembly Schools* are members of the AACSB assembly but have not been accredited by the AACSB.
- *Nonaffiliated Schools* are not members of the assembly and have not been accredited by the AACSB.

Only those schools which responded to the 1971 survey or for which information was available regarding the number of accounting graduates for 1968-69 (see "Estimation of Total Supply") were surveyed.

A summary of the participation in the survey follows:

	<u>AACSB Member Schools</u>		<u>AACSB Assembly Schools</u>		<u>Nonaffiliated Schools</u>		<u>Total</u>	
	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>	<u>Number</u>	<u>%</u>
Usable Responses	123	87	169	73	60	53	352	72
Nonresponses	18	13	63	27	53	47	134	28
Survey Requests	141	100	232	100	113	100	486	100

Estimation of Total Supply

Supply for the nonresponding schools was estimated under the assumption that the nonresponding schools will have the same growth rate as the

responding schools. For determining this growth rate, information was obtained on the number of accounting graduates for 1968-69 from either the 1971 survey responses or Earned Degrees Conferred: 1968-69.² Total supply was then estimated based on the following relationship:

$$\frac{\text{1968-69 graduates per responding schools}}{\text{1968-69 graduates per total schools surveyed}} = \frac{\text{Response per responding schools}}{\text{Total estimated supply}}$$

The estimates of total supply of graduates from AACSB member schools appears highly reliable because responses represent approximately 90% of the degrees awarded by these schools during 1968-69. The poorer response by the nonaffiliated schools will not materially affect the overall survey results because these schools produce a comparatively small number of accounting graduates.

Results of Supply Survey

Data on the number of accounting graduates for the period, 1967-68 through 1970-71 and for the projected period, 1972-73 through 1975-76, are shown in Charts I to IX at the end of this section and in Tables I to XVI in the appendix.

Member Schools. Table V compares the results of the 1972 and 1971 surveys for graduates from AACSB member schools. The 1972 survey represents an average increase for the 1971-75 period of over 20% from the 1971 surveys. To explain this, accounting department chairmen were questioned about the large increase in predicted supply of accounting graduates for their schools. Their reply was that due to the tight job market in many other fields, a large number of students were transferring to accounting. Apparently this trend is expected to continue because a number of responding schools indicated a large increase over the 1971 survey in predicted graduates at both the bachelor's and master's degree level.

Assembly Schools. Table VI compares the results of the 1972 and 1971 surveys for graduates from AACSB assembly schools. The 1971 survey

²Mary Evans Hooper and Marjorie O. Chandler, Earned Degrees Conferred: 1968-69, Part B -- Institutional Data, (Washington, D. C.: U. S. Government Printing Office, 1971), pp. 91-96.

results have been corrected where appropriate for reporting errors. While some of the assembly schools show increases over their 1971 survey estimates, the 1971 totals are greater than the 1972 figures for both bachelor's and master's degrees. The influx of students into accounting being experienced by the member schools apparently is not being duplicated in the assembly schools.

Holders of Bachelor's and Master's Degrees. Chart IV indicates the trends in supply of accounting graduates by AACSB affiliation and in total. The index of 100 equals the average experience for the period, 1967-68 through 1969-70. For each category of affiliation a higher growth rate is projected for master's degrees than bachelor's degrees. The growth rate for master's degrees in assembly schools is greatest, however, because of the relatively low base, the effect on total supply is small. The trend in bachelor's degrees is similar for the three categories of schools. Tables II and III indicate that AACSB member schools will continue to account for the majority of bachelor's and master's degrees awarded.

Public and Private Schools. Charts VII and VIII identify trends in supply of accounting graduates from public and private schools for bachelor's and master's degrees. In both categories, public schools show a larger total growth rate than private schools. This coupled with the fact that public schools have a greater historical base (Table VII) indicate that public schools will continue to account for the majority of accounting graduates for holders of both bachelor's and master's degrees.

Regional Data. Information on graduates by AACSB regional classification is included in Chart IX and Tables XI to XIV. Table XV lists the states that make up each region.

The approximate average growth rates for bachelor's degrees in the New England, North Central, South and Pacific regions are 6%, 7%, 10% and 7% respectively. For master's degrees, the rates are 20%, 12%, 20% and 50% respectively. Only a few master's degrees were awarded in the Pacific region in the base period, and this partly accounts for the high growth rate.

CHART I
SUPPLY OF ACCOUNTING GRADUATES
1967-68 to 1975-76

All Graduates

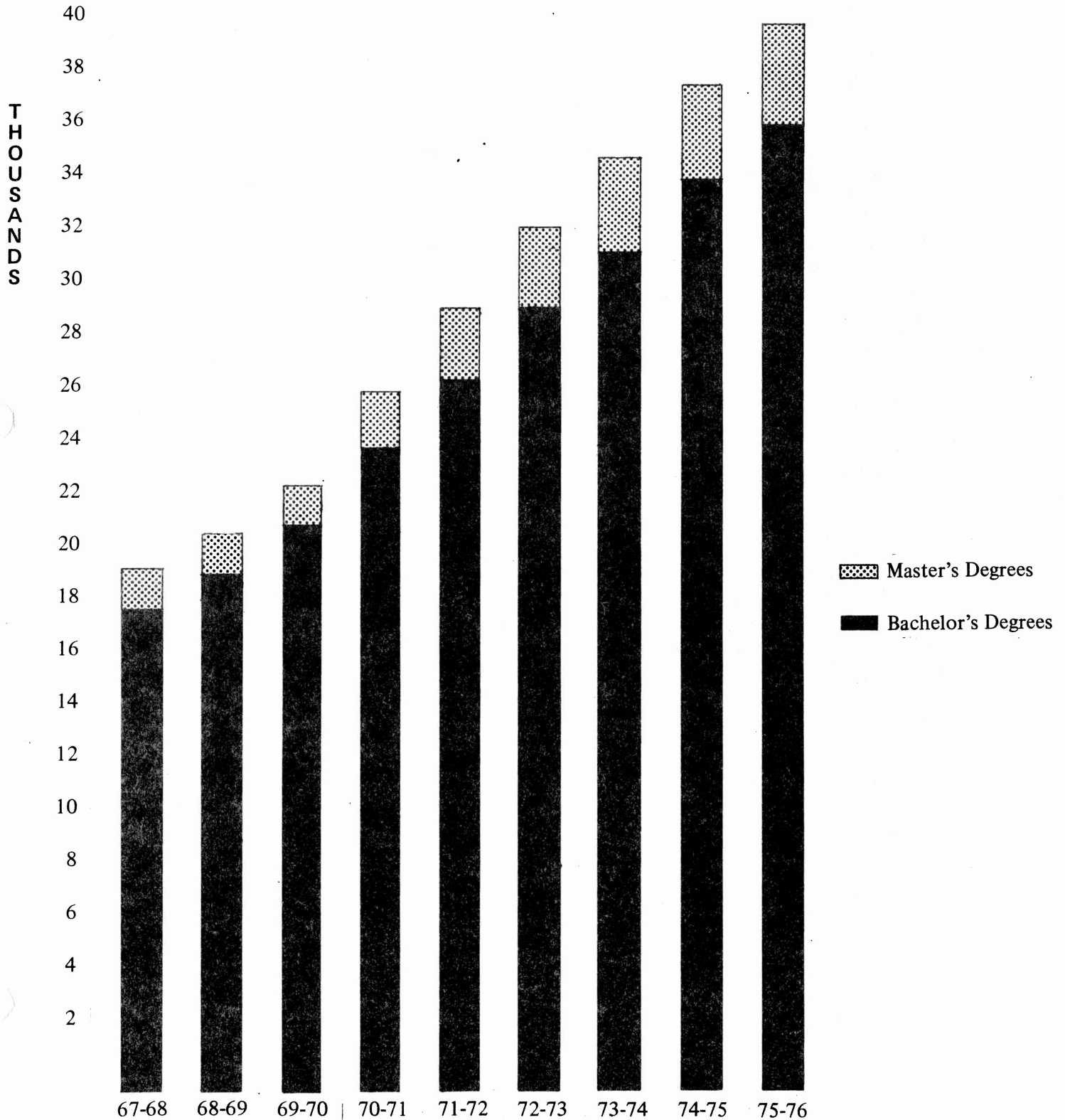
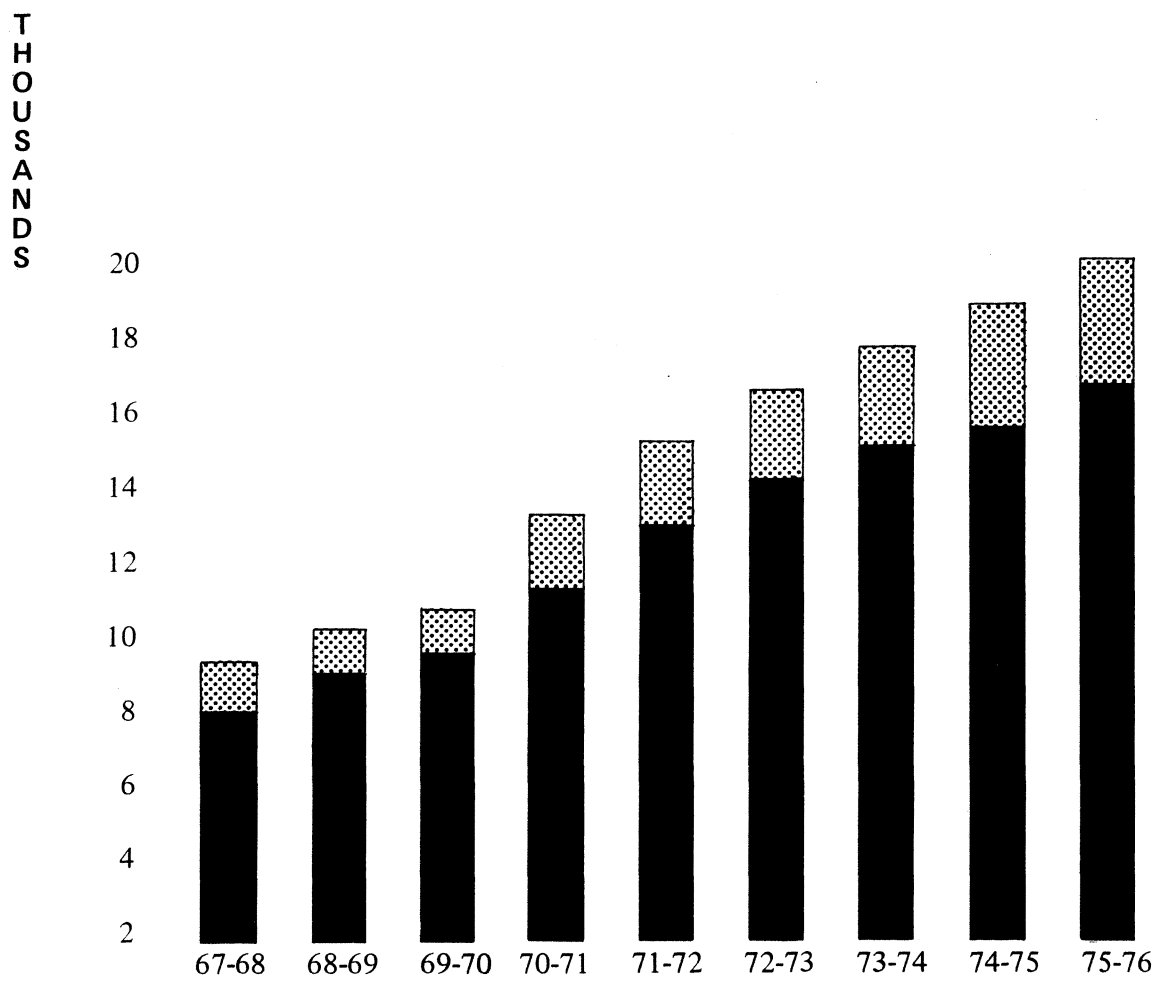


CHART II
SUPPLY OF ACCOUNTING GRADUATES
1967-68 to 1975-76

AACSB Member Schools

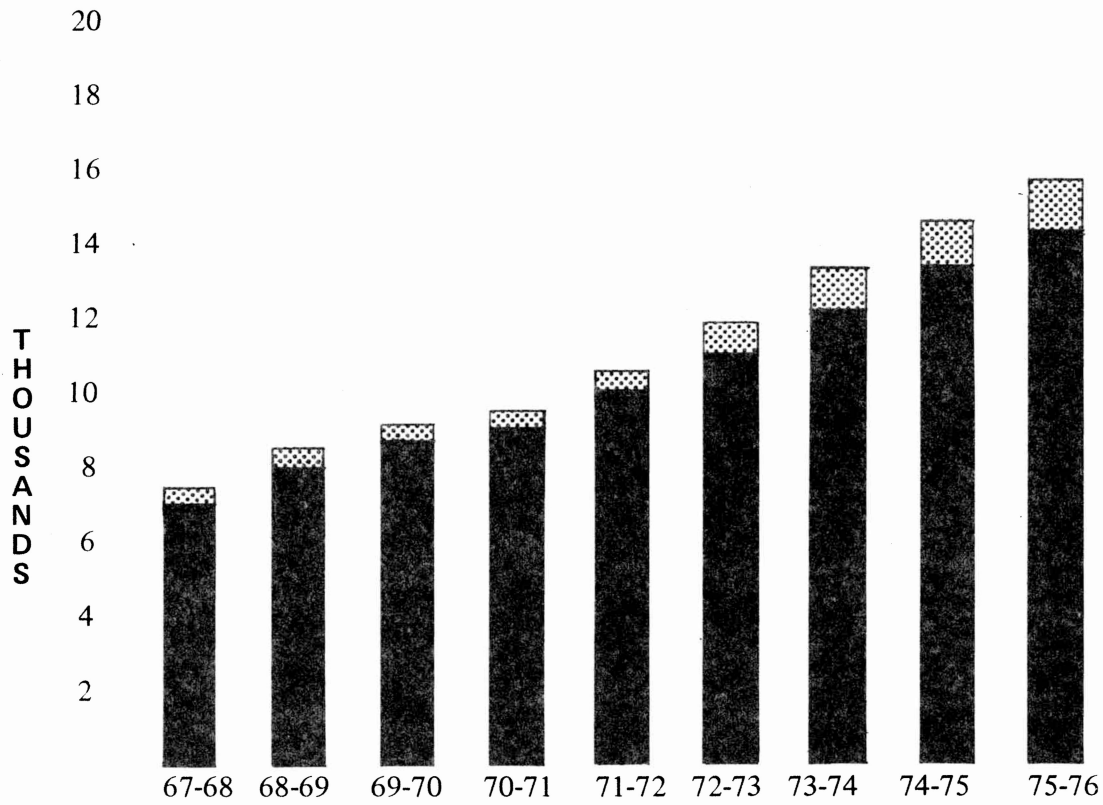


Master's Degrees

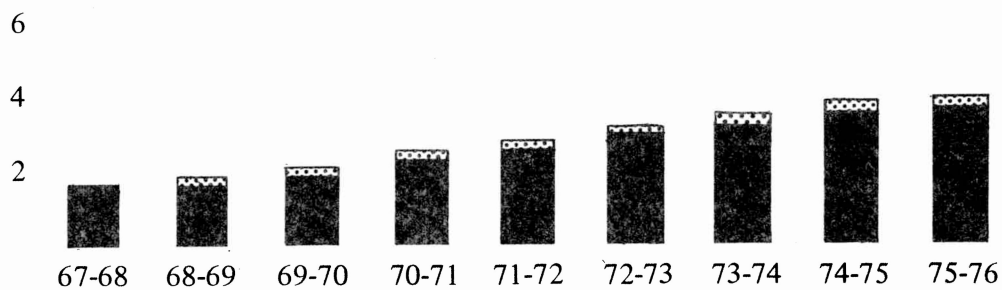
Bachelor's Degrees

CHART III
SUPPLY OF ACCOUNTING GRADUATES
1967-68 to 1975-76

AACSB Assembly Schools



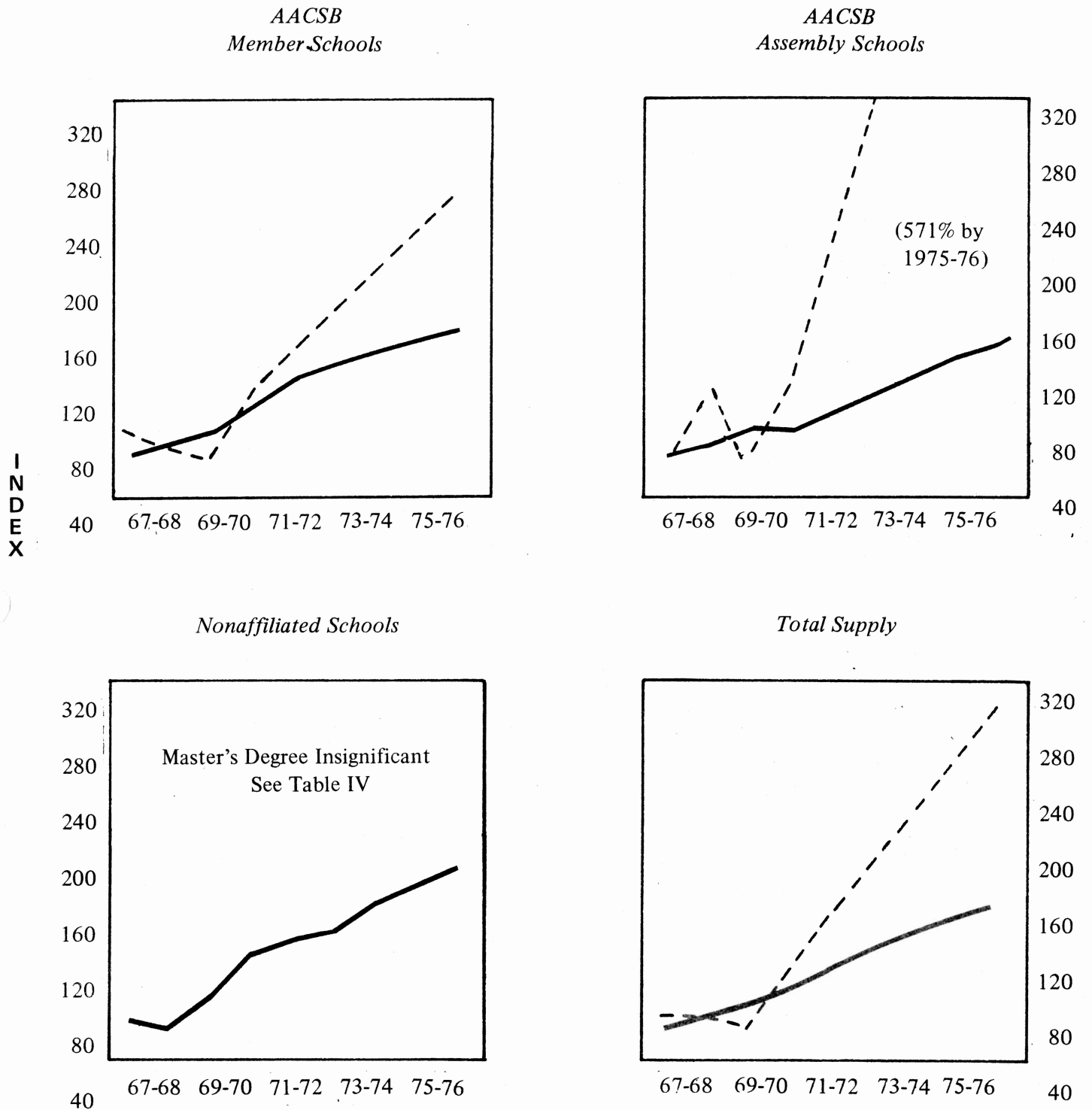
Nonaffiliated Schools



Master's Degrees

Bachelor's Degrees

CHART IV
TRENDS IN SUPPLY OF ACCOUNTING GRADUATES
1967-68 to 1975-76

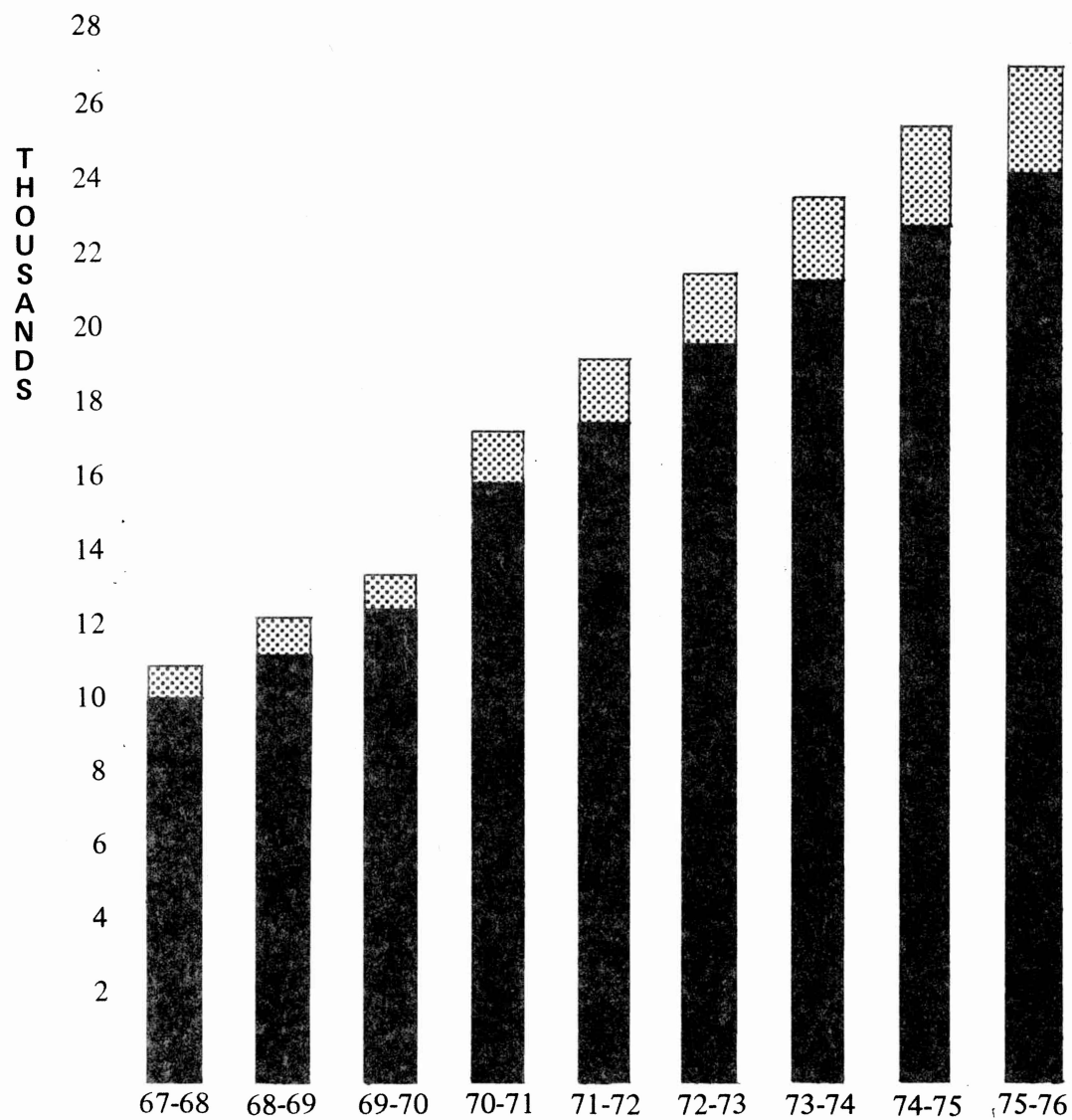


100 = Average experience for period, 1967-68 to 1969-70.

— Bachelor's Degrees
 --- Master's Degrees

CHART V
SUPPLY OF ACCOUNTING GRADUATES
1967-68 to 1975-76

Public Schools





 Master's Degrees
 Bachelor's Degrees

CHART VI
SUPPLY OF ACCOUNTING GRADUATES
1967-68 to 1975-76

Private Schools

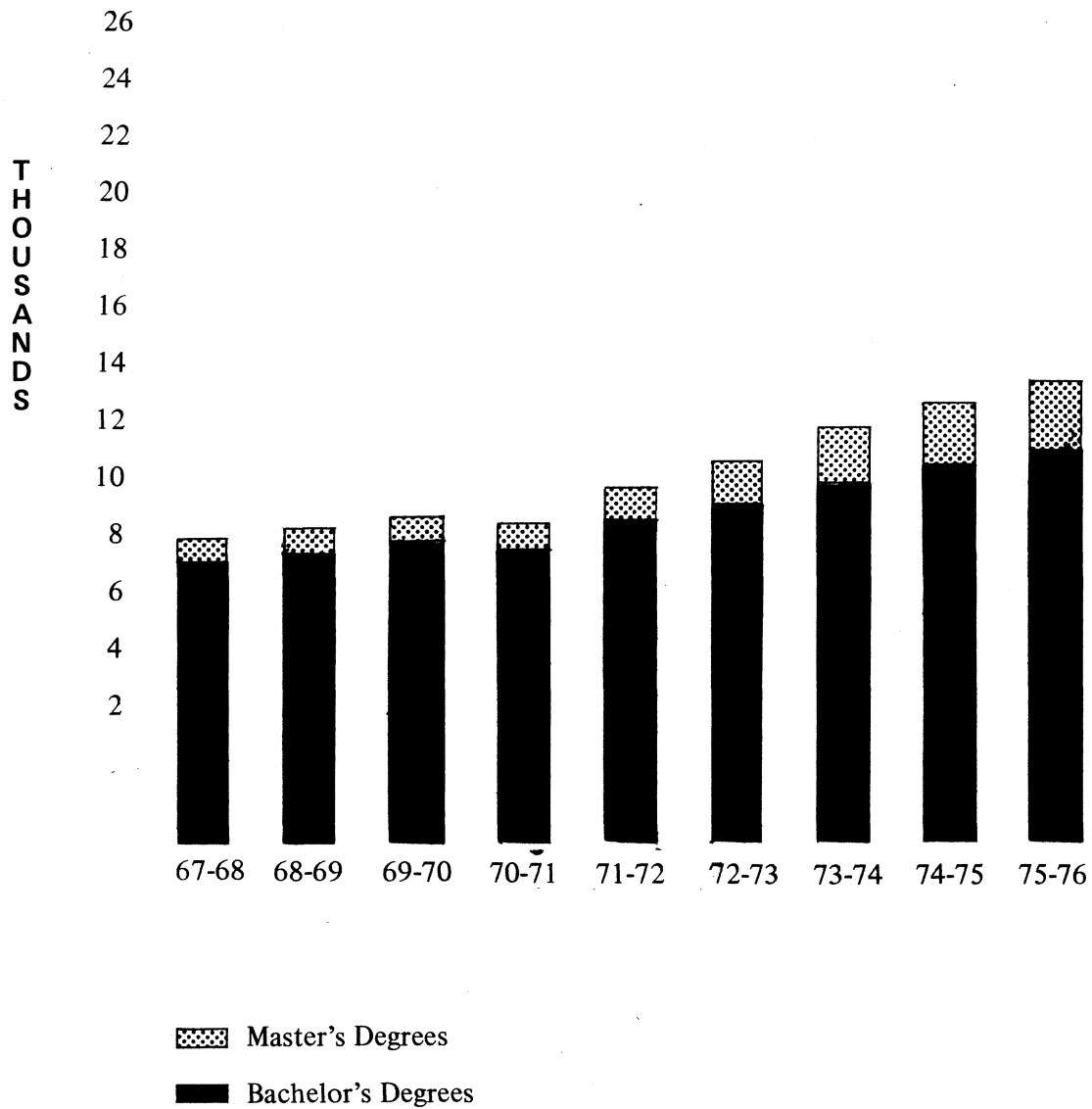
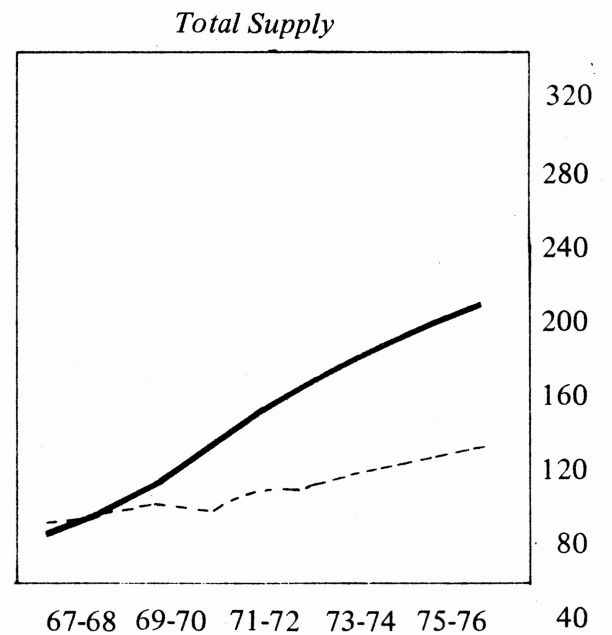
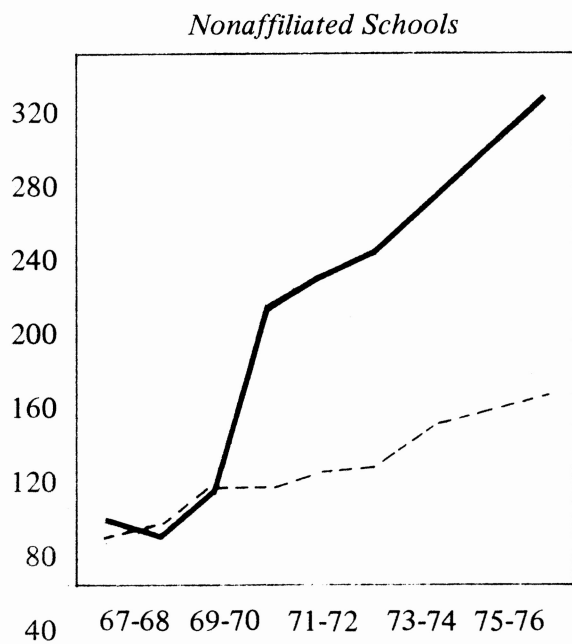
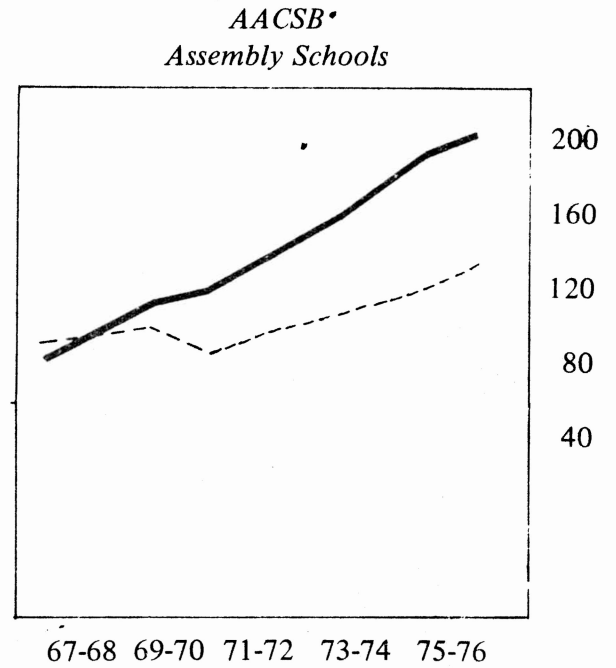
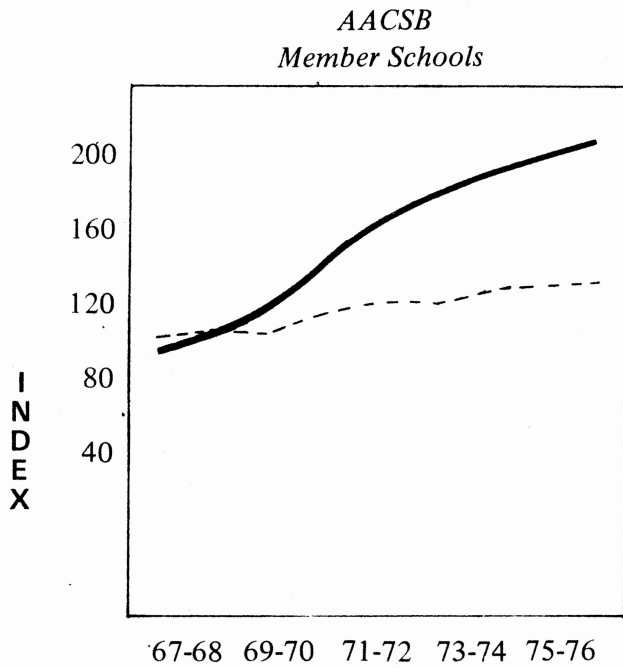


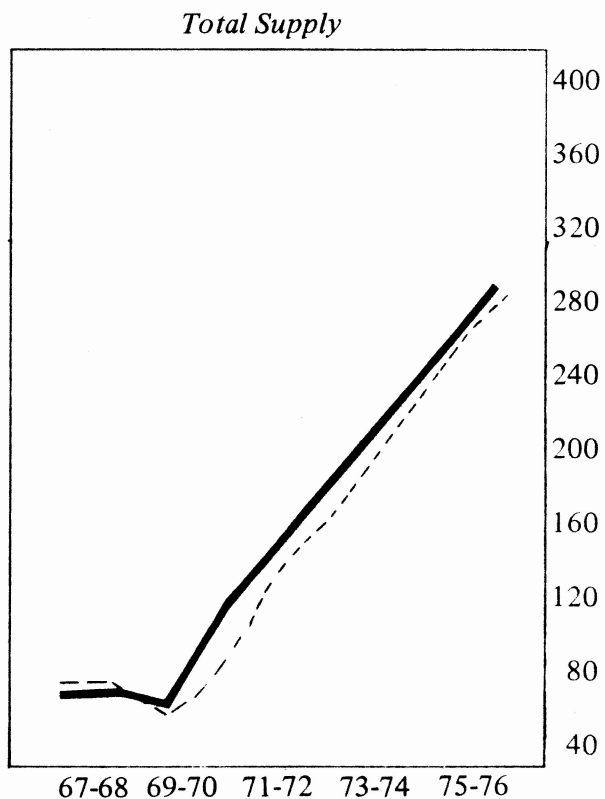
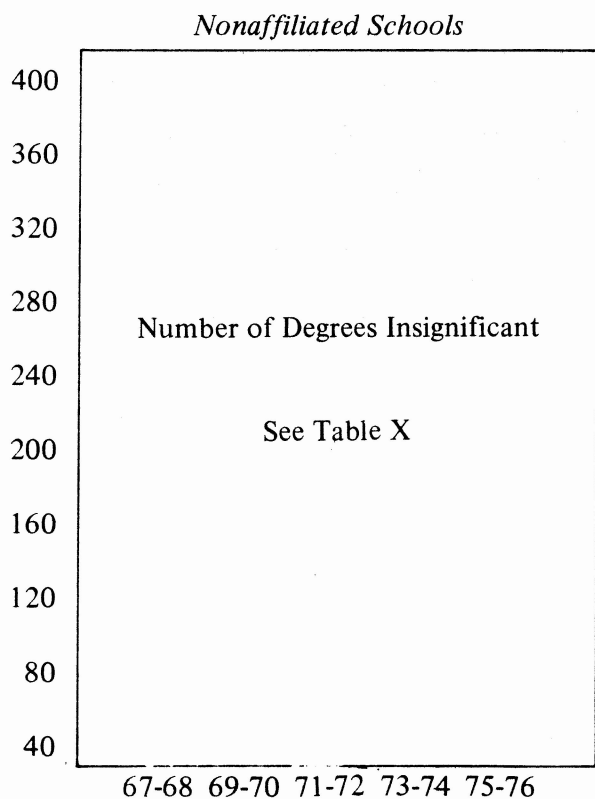
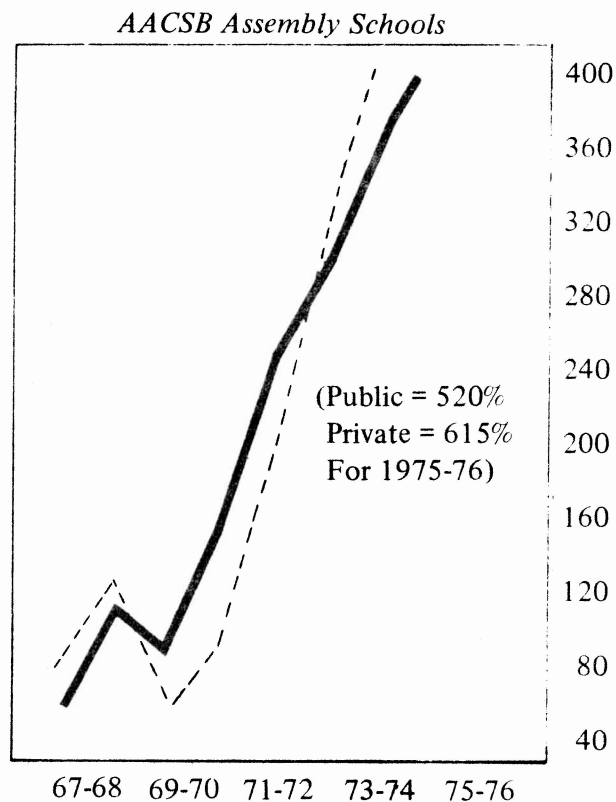
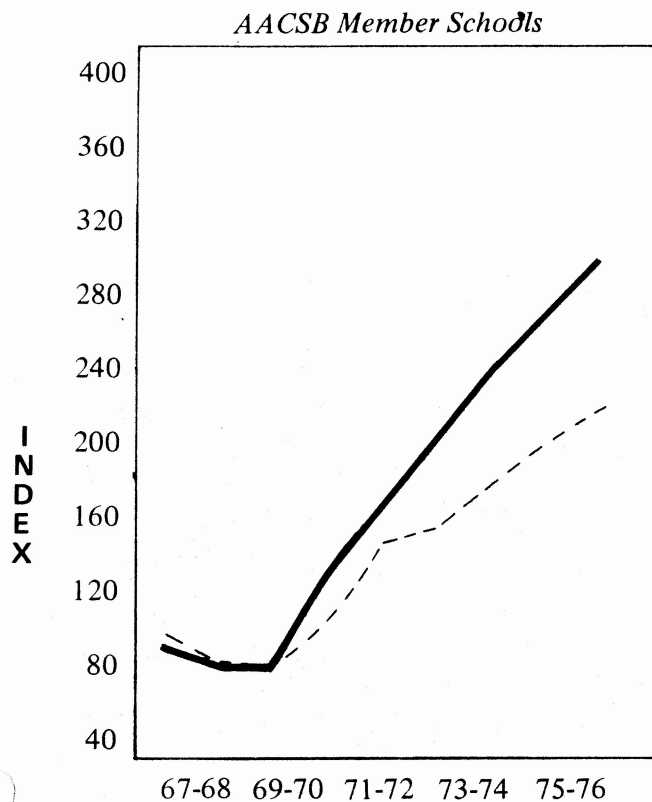
CHART VII
TRENDS IN SUPPLY OF ACCOUNTING GRADUATES WITH BACHELOR'S
DEGREES FROM PUBLIC AND PRIVATE SCHOOLS
1967-68 to 1975-76



100 = Average experience for period, 1967-68 to 1969-70.

— Public Schools
 --- Private Schools

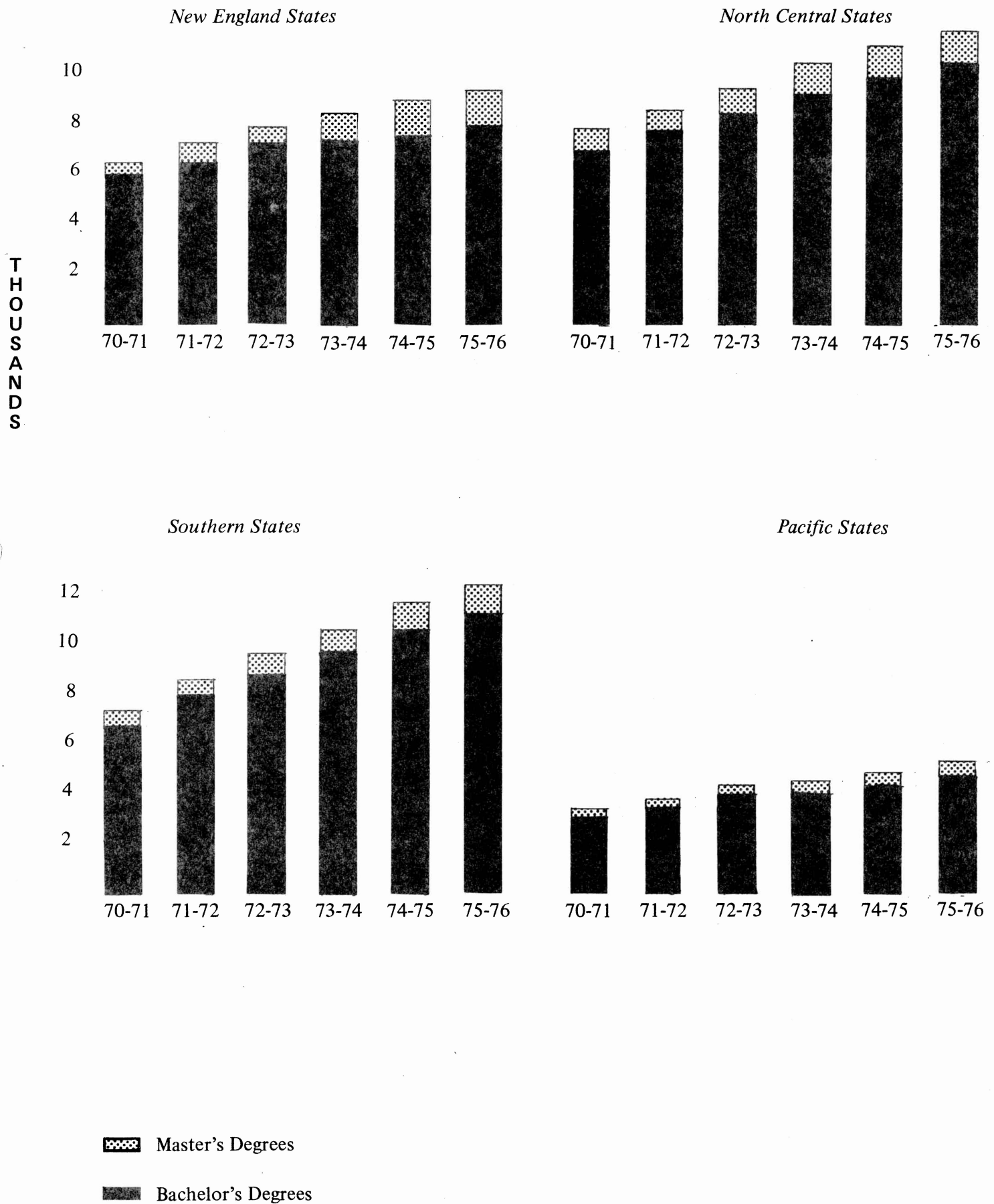
CHART VIII
TRENDS IN SUPPLY OF ACCOUNTING GRADUATES WITH
MASTER'S DEGREES FROM PUBLIC AND PRIVATE SCHOOLS
1967-68 to 1975-76



100 = Average experience for period, 1967-68 to 1969-70.

— Public Schools
 ---- Private Schools

CHART IX
REGIONAL SUPPLY OF ACCOUNTING GRADUATES
1970-71 to 1975-76



THE DEMAND FOR PUBLIC ACCOUNTING RECRUITS

Participation in Demand Survey

The 1972 study of demand, like the 1971 study, consisted of only larger firm participation. This "larger firm" classification, defined as firms with 10 or more Institute members, included 285 firms. For the 1972 demand survey, only those firms which responded to the 1971 survey were contacted. This sample consisted of 69 firms and included 19 of the 20 firms with the most Institute members. The firms contacted were asked to report their actual experience for 1970-71, to update their projections for the four years 1971-72 through 1974-75 and to make a projection for 1975-76.

Of the 69 firms contacted, 63 replied, including 18 of the 19 firms with the most Institute members. The aggregate demand data reported in this study are based upon the 63 replies. Results for the 216 firms not sampled and the 6 firms that did not reply were estimated based upon demand indicated by the responding firms. For purposes of this estimate, firms were classified by size. Within each class-size the results for the nonsampled and nonresponding firms were estimated to be the same as the responding firms.

As a result of the excellent response from the larger firms, the amount of estimation involved was minor. Estimates applicable to nonrespondents to the survey constitute only 1% of the demand totals, and estimates applicable to firms not included in the sample are only 11%.

A summary of the participation in the survey follows:

Number of Institute Members	Firms		Survey Requests		Responses	
	Number	%	Number	%	Number	%
More than 27	50	18	40	58	36	57
15-27	66	23	8	12	7	11
12-14	78	27	10	14	10	16
10-11	91	32	11	16	10	16
	<u>285</u>	<u>100</u>	<u>69</u>	<u>100</u>	<u>63</u>	<u>100</u>

Results of Demand Study

The aggregate results of the 1972 demand study and a comparison of the 1972 and 1971 studies are shown in Charts X to XIII at the end of the section and Tables XVII to XIX in the appendix.

Results of 1970-71. Even though almost all firms in the 1971 survey predicted a sharp decline in demand for 1970-71 as compared to 1969-70, the actual decrease was greater than expected (Chart XII). The 1971 estimates were for a 35% decline in opportunities for holders of bachelor's degrees and no decline in the demand for holders of master's degrees. The 1972 study revealed that actual demand dropped 46% for bachelor's degrees and 14% for master's degrees.

The decline in actual 1970-71 demand for holders of bachelor's degrees as compared to the 1971 survey predictions was not consistent throughout all size firms. Of the 18 largest responding firms, 12 hired fewer with bachelor's degrees than they had predicted in the 1971 survey, while 3 hired more and 3 hired as predicted. The other responding firms were approximately equal in the number who hired more than predicted and those who hired fewer.

Of the largest responding firms, 8 hired fewer with master's degrees than predicted in the 1971 survey while 5 hired more and 5 hired as predicted.

The 1971 study suggested that the larger the firm the greater the emphasis upon the master's degree. The actual demand for 1970-71 as reported in the 1972 study continues to support this suggestion in that 25% of the total recruits hired by firms with more than 27 Institute members held master's degrees while only 5% of the total recruits hired by firms with from 10-27 Institute members held master's degrees.

Predictions for 1971-72 through 1975-76. Demand is expected to increase substantially during 1971-72 and 1972-73 (Table XVIII) but will not reach the level of 1968-69 and 1969-70 until 1973-74. The 1971 study predicted this level would be reached by 1972-73 but the levels of demand estimated in the 1972 study tend to lag one year behind the 1971 study predictions (Table XIX).

Trends in demand are shown in Chart XI. This chart has been constructed based on an index in which 100 equals the average demand during the three-year period, 1967-68 through 1969-70.

The 1971 study predicted that while public accounting firms would continue to rely upon holders of bachelor's degrees to fill the bulk of their manpower needs, the relative importance of the master's degrees would increase. The results of the 1972 study continue to support this prediction as indicated by Chart XIII. The demand for holders of master's degrees is expected to increase 140% by 1975-76 as compared to a 40% increase for holders of bachelor's degrees. By 1975-76, 28% of recruits will hold the master's degree; this compares

to 18% during the four-year period 1967-68 through 1970-71. The 1971 demand survey indicated a trend in firms of all sizes toward demanding higher percentages of master's degrees. While the larger firms are continuing this trend in 1972, smaller firms predict holders of master's degrees will represent a decreasing percentage of demand, as shown in the following table:

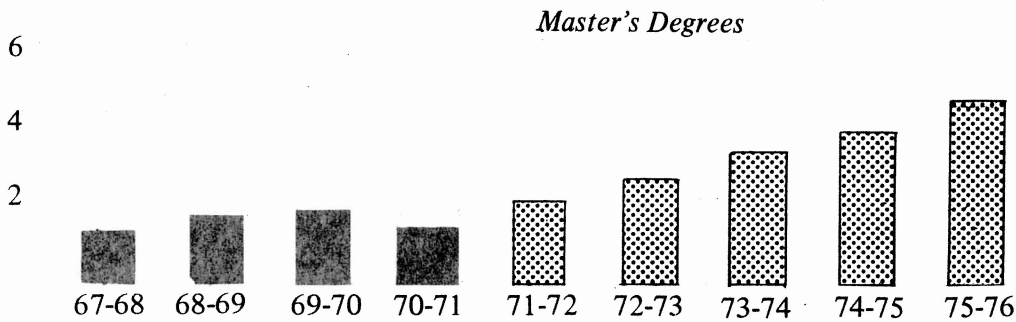
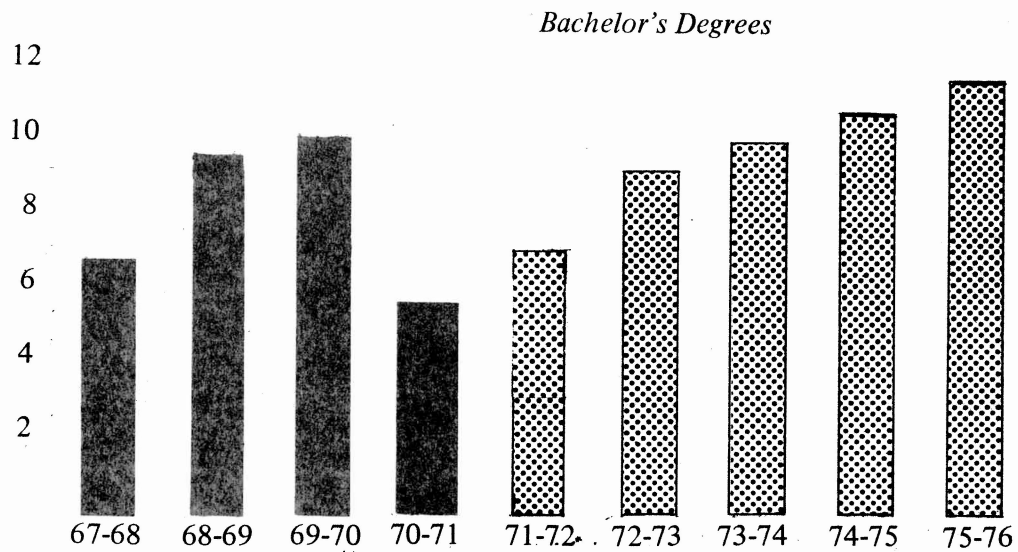
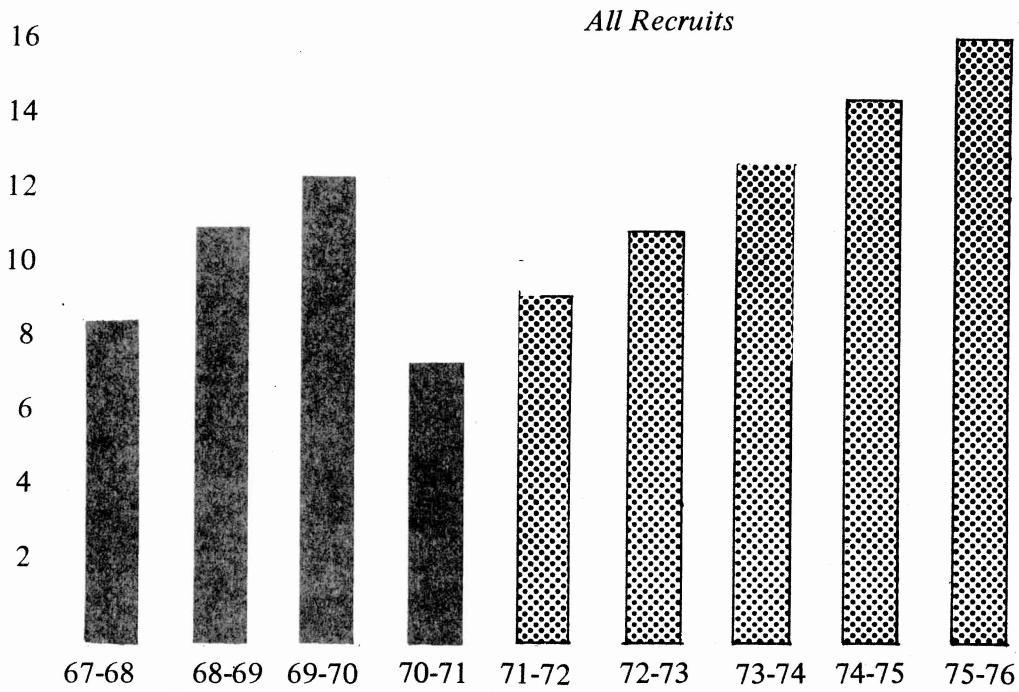
PERCENTAGE OF NEW EMPLOYEES EXPECTED TO HOLD MASTER'S DEGREES

<u>Year</u>	<u>Firm Size (Institute Members)</u>	
	<u>More than 27</u>	<u>10-27</u>
1971-72	24%	7%
1972-73	24	4
1973-74	26	2
1974-75	28	3
1975-76	30	1

Nondegree Individuals. The 1971 study suggested an inverse relationship between firm size and demand for individuals without bachelor's degrees and in the future an overall decline in demand for such individuals. The 1972 study supports both of these conclusions. During 1970-71, firms with more than 27 Institute members filled only 0.6% of their total demand with nondegree individuals while firms with 10-27 Institute members met 7% of their total demand in this manner. Demand for such individuals is expected to decrease from 1.3% of total demand for 1970-71 to 0.5% of total demand in 1975-76.

CHART X
DEMAND FOR PUBLIC ACCOUNTING RECRUITS
1967-68 to 1975-76

T H O U S A N D S

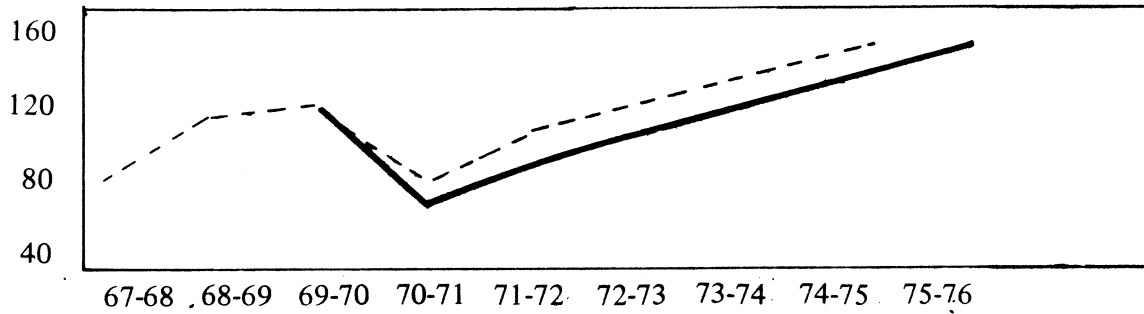


■ Historical

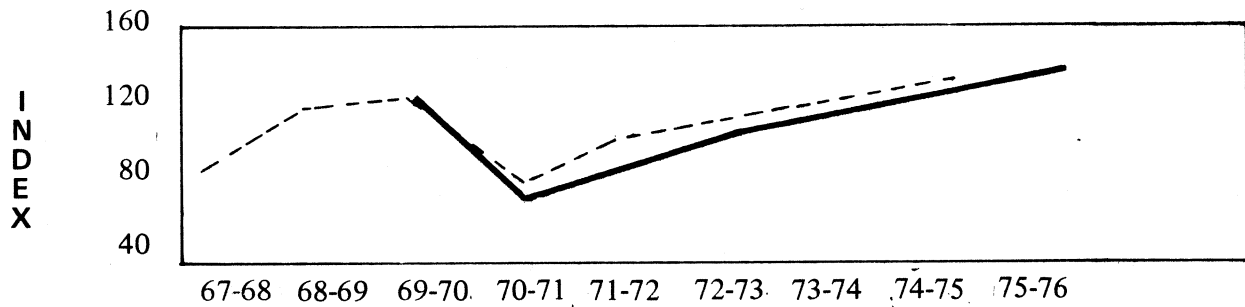
▤ Predictive

CHART XI
TRENDS IN DEMAND FOR PUBLIC ACCOUNTING RECRUITS
1967-68 to 1975-76

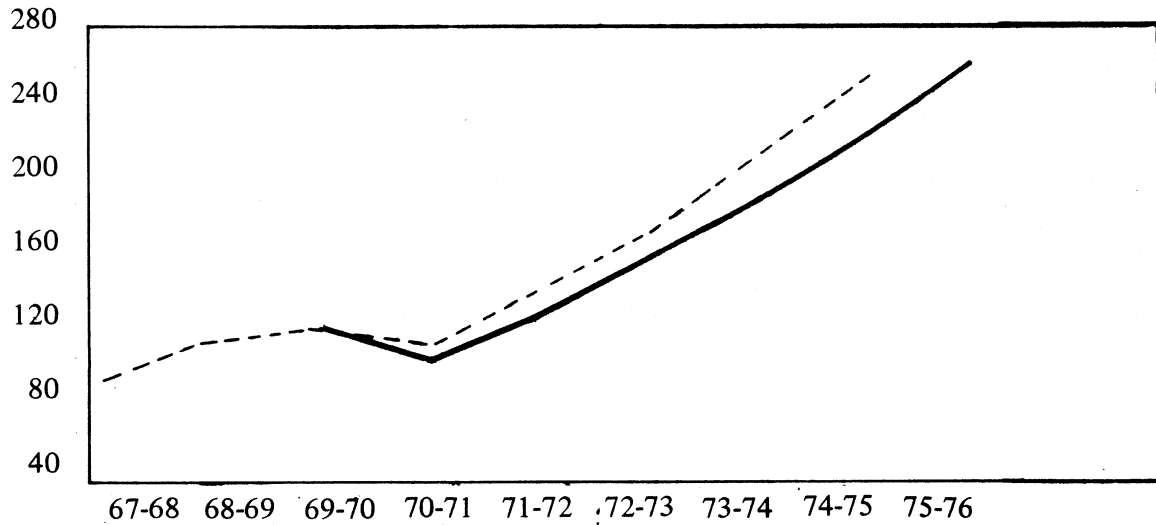
Total Demand



Bachelor's Degrees



Master's Degrees



— 1972 Study

- - - 1971 Study

100 = Average experience for historical period, 1967-68 to 1969-70.

CHART XII
COMPARISON OF 1972 AND 1971 DEMAND STUDY
1970-71 to 1975-76

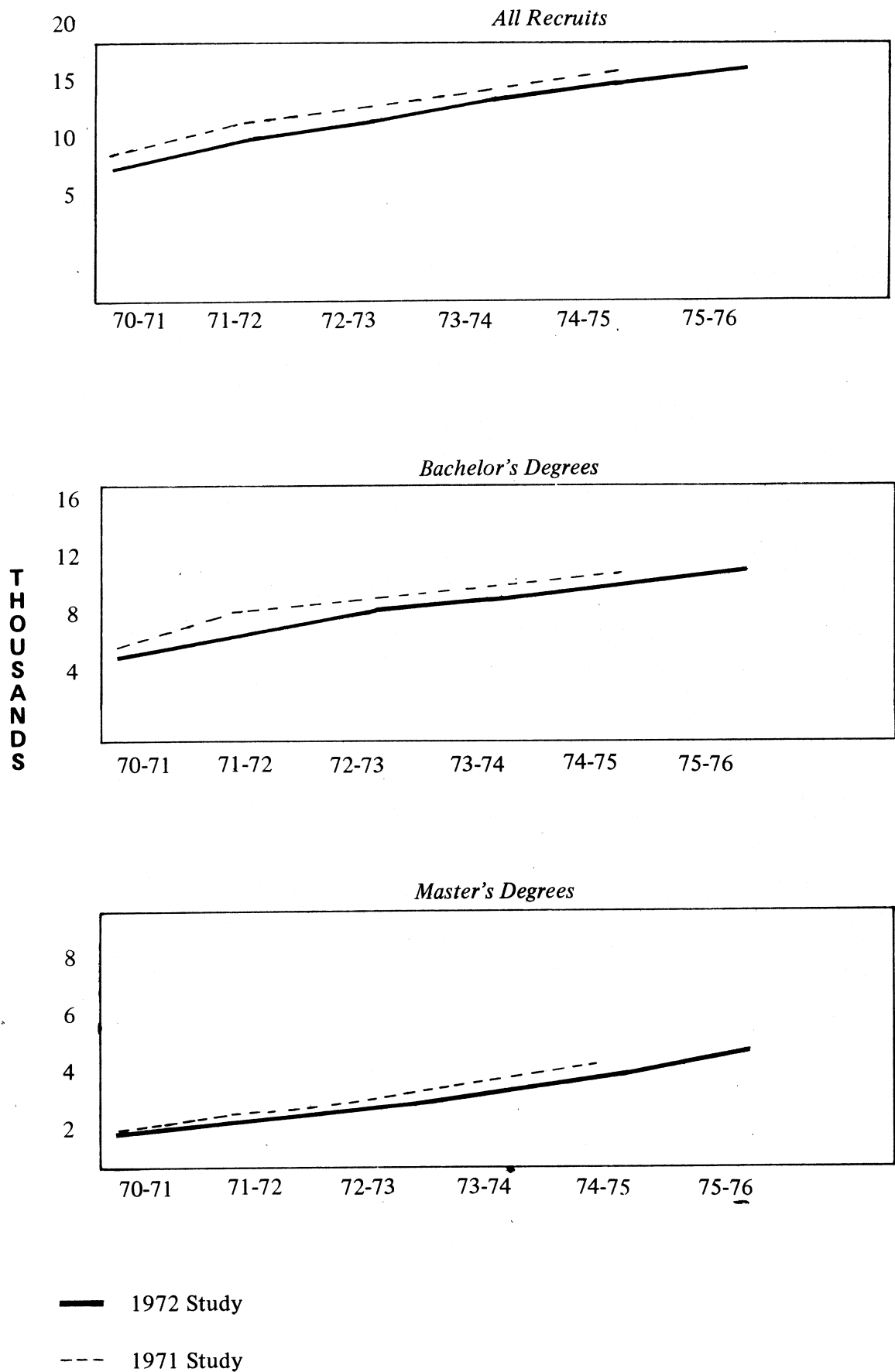
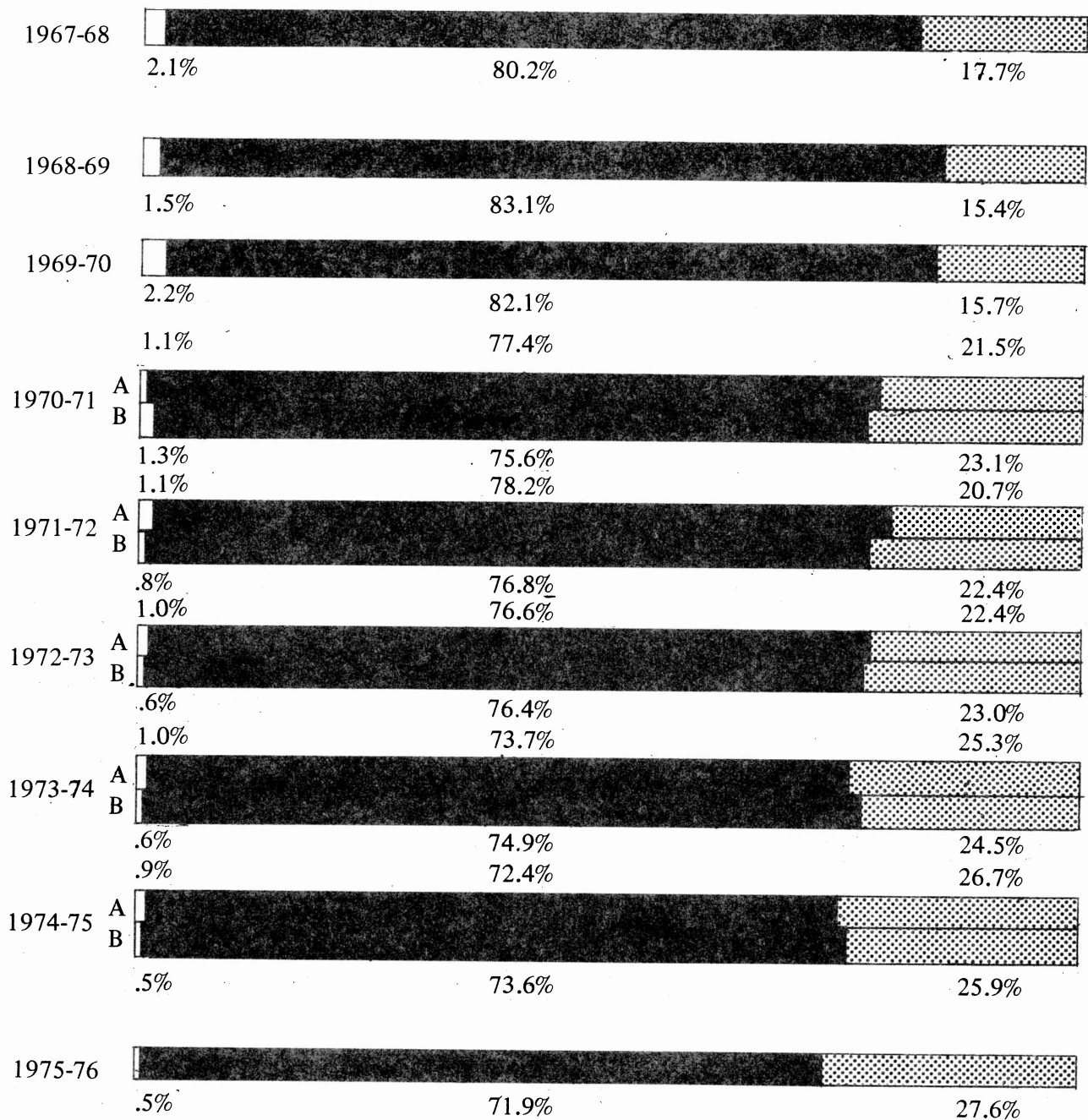


CHART XIII
DISTRIBUTION OF DEMAND BY EDUCATIONAL LEVEL
1967-68 to 1975-76



□ Less than Bachelor's Degree

■ Bachelor's Degree

▤ Master's Degree

A—From 1971 Study

B—From 1972 Study

RELATIONSHIPS BETWEEN SUPPLY OF ACCOUNTING GRADUATES AND DEMAND FOR PUBLIC ACCOUNTING RECRUITS

Charts XIV and XV at the end of this section and Tables XX to XXII in the appendix attempt to show the relationships between supply and demand.

The supply of accounting graduates and the demand for public accounting recruits are separate but overlapping populations. Some of the factors that should be considered in discussing them are:

1. The supply of graduates includes many students who are not interested in public accounting.
2. Holders of bachelor's degrees who go on to graduate study are reported twice, in the year they receive the bachelor's degree and in the year they receive the master's degree.
3. Military service may delay the entry of graduates into the working force.
4. Demand is often filled by students who did not major in accounting. (This is particularly true at the master's level, because this study may not have identified all MBAs concentrating in or interested in accounting.) Observations relating to the relationship between supply and demand should be made with these qualifications in mind.

It was suggested in the 1971 study that the increasing supply of advanced degrees might increase the demand for holders of master's degrees and decrease correspondingly the demand for holders of bachelor's degrees. No evidence supporting such a pattern appears in the current study. The predicted supply of both holders of bachelor's and master's degrees has increased from the 1971 study and the demand for both groups has dropped. There seems to be little demand substitution of one degree for the other.

Thus far demand for accounting recruits has had little effect on the number of students entering accounting. Despite the substantial drop in demand from 1969-70 to 1970-71, the supply of accounting graduates continues to increase steadily. This is most likely attributable to the greater decrease in other fields. Thus, supply appears to be more influenced by the job market as a whole than by the demand for accounting graduates.

Similarly, demand apparently is based on expected future business and not on the availability of employees. This is supported by the fact that supply has increased from the 1971 study while demand has decreased.

CHART XIV
DEMAND AS A PERCENT OF SUPPLY
1967-68 to 1975-76

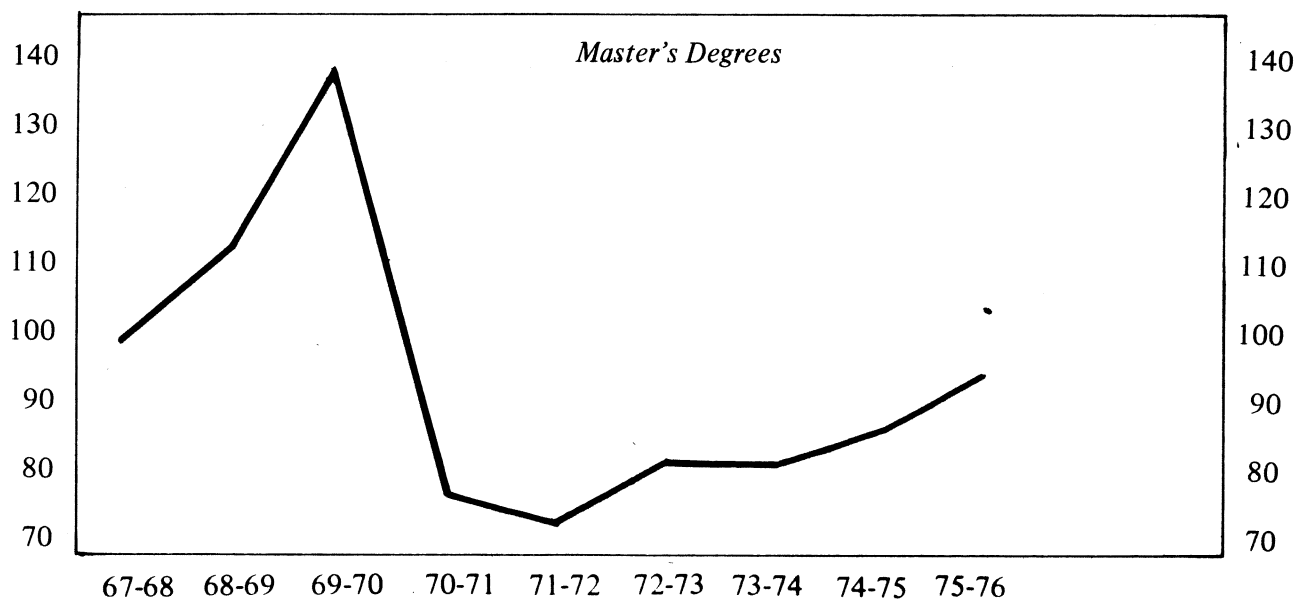
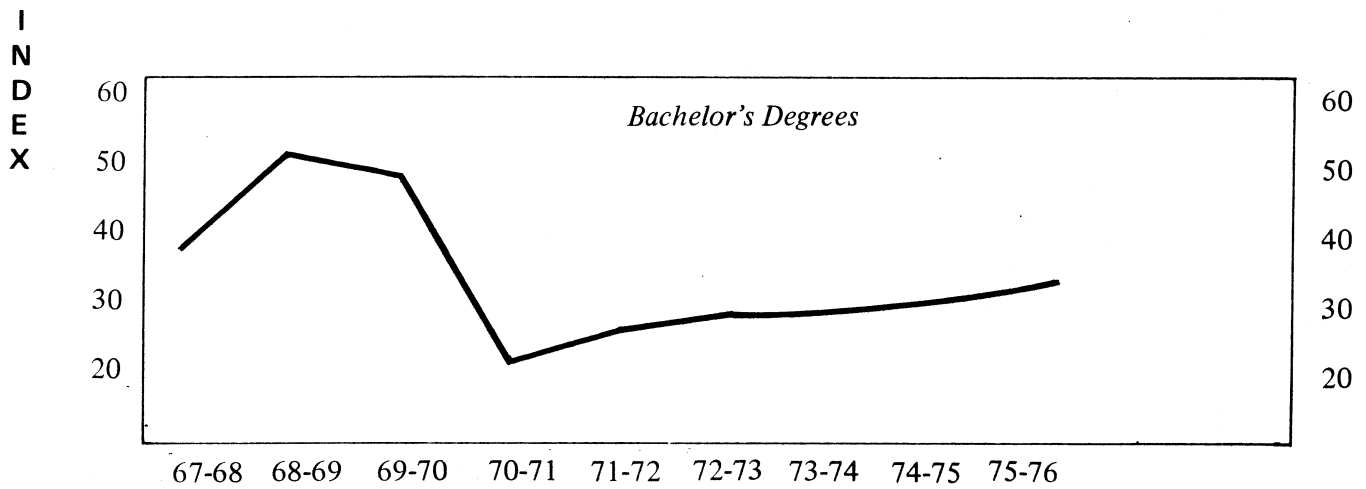
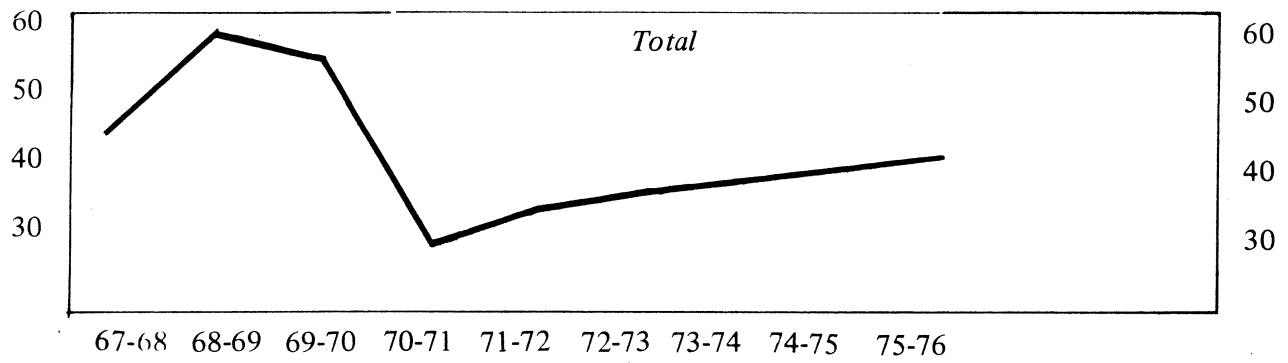
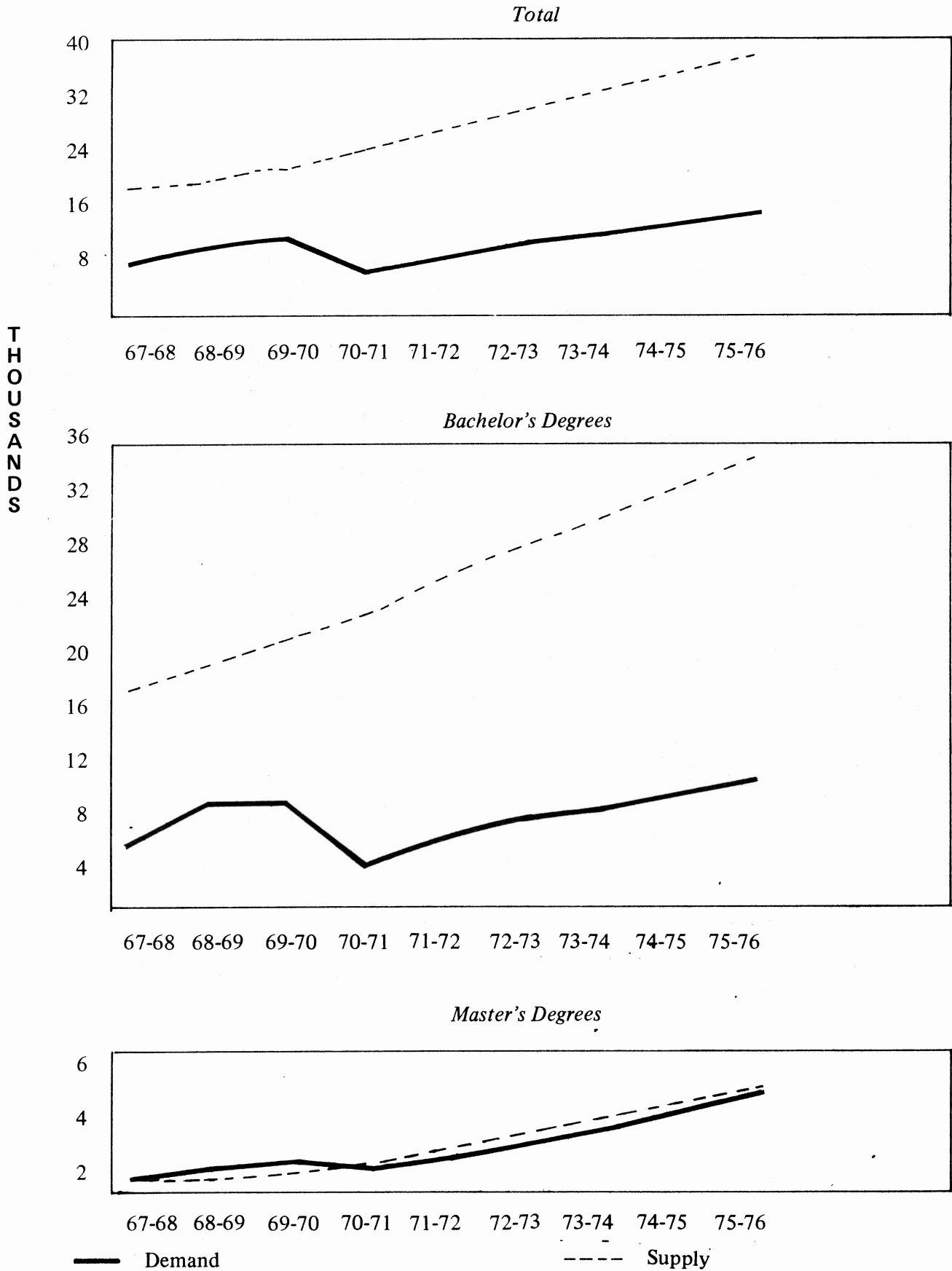


CHART XV
RELATIONSHIP BETWEEN SUPPLY OF ACCOUNTING GRADUATES AND
DEMAND FOR PUBLIC ACCOUNTING RECRUITS
1967-68 to 1976-76



APPENDIX

TABLE I	SUPPLY OF ACCOUNTING GRADUATES FROM ALL SCHOOLS
TABLE II	SUPPLY OF ACCOUNTING GRADUATES FROM AACSB MEMBER SCHOOLS
TABLE III	SUPPLY OF ACCOUNTING GRADUATES FROM AACSB ASSEMBLY SCHOOLS
TABLE IV	SUPPLY OF ACCOUNTING GRADUATES FROM NONAFFILIATED SCHOOLS
TABLE V	COMPARISON OF 1972 AND 1971 SUPPLY STUDIES FOR AACSB MEMBER SCHOOLS
TABLE VI	COMPARISON OF 1972 AND 1971 SUPPLY STUDIES FOR AACSB ASSEMBLY SCHOOLS
TABLE VII	SUPPLY OF ACCOUNTING GRADUATES FROM ALL PUBLIC AND PRIVATE SCHOOLS
TABLE VIII	SUPPLY OF ACCOUNTING GRADUATES FROM PUBLIC AND PRIVATE AACSB MEMBER SCHOOLS
TABLE IX	SUPPLY OF ACCOUNTING GRADUATES FROM PUBLIC AND PRIVATE AACSB ASSEMBLY SCHOOLS
TABLE X	SUPPLY OF ACCOUNTING GRADUATES FROM PUBLIC AND PRIVATE NONAFFILIATED SCHOOLS
TABLE XI	SUPPLY OF ACCOUNTING GRADUATES BY REGION FROM ALL SCHOOLS
TABLE XII	SUPPLY OF ACCOUNTING GRADUATES BY REGION FROM AACSB MEMBER SCHOOLS
TABLE XIII	SUPPLY OF ACCOUNTING GRADUATES BY REGION FROM AACSB ASSEMBLY SCHOOLS
TABLE XIV	SUPPLY OF ACCOUNTING GRADUATES BY REGION FROM NONAFFILIATED SCHOOLS

TABLE XV STATES PER REGION

TABLE XVI RATES OF INCREASE IN SUPPLY

TABLE XVII DEMAND FOR PUBLIC ACCOUNTING RECRUITS

TABLE XVIII RATES OF INCREASE IN DEMAND

TABLE XIX COMPARISON OF 1972 AND 1971 DEMAND STUDIES

TABLE XX RELATIONSHIP BETWEEN SUPPLY OF ACCOUNTING
GRADUATES AND DEMAND FOR PUBLIC ACCOUNTING
RECRUITS

TABLE XXI RELATIONSHIP BETWEEN SUPPLY OF AND DEMAND FOR
HOLDERS OF BACHELOR'S DEGREES

TABLE XXII RELATIONSHIP BETWEEN SUPPLY OF AND DEMAND FOR
HOLDERS OF MASTER'S DEGREES

TABLE I
SUPPLY OF ACCOUNTING GRADUATES
FROM ALL SCHOOLS
1967-68 to 1975-76

<i>Year</i>	<i>Educational Level</i>		<i>Total Supply</i>
	<i>Bachelor's Degrees</i>	<i>Master's Degrees</i>	
1967-68	17,400	1,500	18,900
1968-69	18,800	1,600	20,400
→ 1969-70	20,700	1,400	22,100
1970-71	23,300	2,000	25,300
1971-72	25,900	2,600	28,500
1972-73	28,200	3,100	31,300
1973-74	30,400	3,600	34,000
1974-75	32,400	4,200	36,600
1975-76	34,100	4,600	38,700

TABLE II
SUPPLY OF ACCOUNTING GRADUATES
FROM AACSB MEMBER SCHOOLS
1967-68 to 1975-76

<i>Year</i>	<i>Educational Level</i>		<i>Total Supply</i>
	<i>Bachelor's Degrees</i>	<i>Master's Degrees</i>	
1967-68	8,400	1,300	9,700
1968-69	9,200	1,200	10,400
1969-70	9,800	1,100	10,900
1970-71	11,700	1,600	13,300
1971-72	13,200	2,000	15,200
1972-73	14,300	2,300	16,600
1973-74	15,100	2,600	17,700
1974-75	15,700	3,000	18,700
1975-76	16,500	3,200	19,700

TABLE III
SUPPLY OF ACCOUNTING GRADUATES
FROM AACSB ASSEMBLY SCHOOLS
1967-68 to 1975-76

<i>Year</i>	<i>Educational Level</i>		<i>Total Supply</i>
	<i>Bachelor's Degrees</i>	<i>Master's Degrees</i>	
1967-68	7,300	200	7,500
1968-69	8,000	300	8,300
1969-70	8,900	200	9,100
1970-71	9,100	300	9,400
1971-72	10,000	500	10,500
1972-73	11,100	700	11,800
1973-74	12,200	900	13,100
1974-75	13,400	1,100	14,500
1975-76	14,100	1,300	15,400

TABLE IV
SUPPLY OF ACCOUNTING GRADUATES
FROM NONAFFILIATED SCHOOLS
1967-68 to 1975-76

<i>Year</i>	<i>Educational Level</i>		<i>Total Supply</i>
	<i>Bachelor's Degrees</i>	<i>Master's Degrees</i>	
1967-68	1,700	—	1,700
1968-69	1,600	100	1,700
1969-70	2,000	100	2,100
1970-71	2,500	100	2,600
1971-72	2,700	100	2,800
1972-73	2,800	100	2,900
1973-74	3,100	100	3,200
1974-75	3,300	100	3,400
1975-76	3,500	100	3,600

TABLE V
COMPARISON OF 1972 AND 1971 SUPPLY STUDIES
FOR AACSB MEMBER SCHOOLS
1970-71 to 1975-76

<i>Year</i>	<i>Educational Level</i>				<i>Total Supply</i>	
	<i>Bachelor's Degrees</i>		<i>Master's Degrees</i>		<i>1972 Study</i>	<i>1971 Study</i>
	<i>1972 Study</i>	<i>1971 Study</i>	<i>1972 Study</i>	<i>1971 Study</i>		
1970-71	11,700	10,000	1,600	1,400	13,300	11,400
1971-72	13,200	10,700	2,000	1,700	15,200	12,400
1972-73	14,300	11,400	2,300	1,800	16,600	13,200
1973-74	15,100	12,000	2,600	2,100	17,700	14,100
1974-75	15,700	12,600	3,000	2,400	18,700	15,000
1975-76	16,500	—	3,200	—	19,700	—

TABLE VI
COMPARISON OF 1972 AND 1971 SUPPLY STUDIES
FOR AACSB ASSEMBLY SCHOOLS
1970-71 to 1975-76

<i>Year</i>	<i>Educational Level</i>				<i>Total Supply</i>	
	<i>Bachelor's Degrees</i>		<i>Master's Degrees</i>		<i>1972</i>	<i>1971</i>
	<i>1972</i>	<i>1971</i>	<i>1972</i>	<i>1971</i>		
	<i>Study</i>	<i>Study</i>	<i>Study</i>	<i>Study</i>	<i>Study</i>	<i>Study</i>
1970-71	9,100	9,900	300	400	9,400	10,300
1971-72	10,000	10,800	500	600	10,500	11,400
1972-73	11,100	11,700	700	900	11,800	12,600
1973-74	12,200	12,500	900	1,100	13,100	13,600
1974-75	13,400	13,400	1,100	1,400	14,500	14,800
1975-76	14,100	—	1,300	—	15,400	—

1971 Survey as Restated

TABLE VII
SUPPLY OF ACCOUNTING GRADUATES
FROM ALL PUBLIC AND PRIVATE SCHOOLS
1967-68 to 1975-76

<i>Year</i>	<i>Bachelor's Degrees</i>		<i>Master's Degrees</i>	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
1967-68	9,800	7,600	900	600
1968-69	11,000	7,800	900	700
1969-70	12,500	8,200	800	600
1970-71	15,300	8,000	1,300	700
1971-72	17,200	8,700	1,600	1,000
1972-73	19,100	9,100	1,900	1,200
1973-74	20,700	9,700	2,200	1,400
1974-75	22,200	10,200	2,600	1,600
1975-76	23,600	10,500	2,800	1,800

TABLE VIII
SUPPLY OF ACCOUNTING GRADUATES
FROM PUBLIC AND PRIVATE AACSB MEMBER SCHOOLS
1967-68 to 1975-76

<i>Year</i>	<i>Bachelor's Degrees</i>		<i>Master's Degrees</i>	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
1967-68	5,900	2,500	800	500
1968-69	6,500	2,700	700	500
1969-70	7,200	2,600	600	500
1970-71	8,900	2,800	1,000	600
1971-72	10,200	3,000	1,200	800
1972-73	11,300	3,000	1,500	800
1973-74	12,000	3,100	1,700	900
1974-75	12,500	3,200	2,000	1,000
1975-76	13,200	3,300	2,100	1,100

TABLE IX
SUPPLY OF ACCOUNTING GRADUATES
FROM PUBLIC AND PRIVATE AACSB ASSEMBLY SCHOOLS
1967-68 to 1975-76

<i>Year</i>	<i>Bachelor's Degrees</i>		<i>Master's Degrees</i>	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
1967-68	3,500	3,800	100	100
1968-69	4,200	3,800	100	200
1969-70	4,900	4,000	100	100
1970-71	5,600	3,500	200	100
1971-72	6,100	3,900	300	200
1972-73	6,900	4,200	300	400
1973-74	7,700	4,500	400	500
1974-75	8,600	4,800	500	600
1975-76	9,200	4,900	600	700

TABLE X
SUPPLY OF ACCOUNTING GRADUATES
FROM PUBLIC AND PRIVATE NONAFFILIATED SCHOOLS
1967-68 to 1975-76

<i>Year</i>	<i>Bachelor's Degrees</i>		<i>Master's Degrees</i>	
	<i>Public</i>	<i>Private</i>	<i>Public</i>	<i>Private</i>
1967-68	400	1,300	—	—
1968-69	300	1,300	100	—
1969-70	400	1,600	100	—
1970-71	800	1,700	100	—
1971-72	900	1,800	100	—
1972-73	900	1,900	100	—
1973-74	1,000	2,100	100	—
1974-75	1,100	2,200	100	—
1975-76	1,200	2,300	100	—

TABLE XI
SUPPLY OF ACCOUNTING GRADUATES BY REGION
FROM ALL SCHOOLS
1970-71 to 1975-76

<i>Bachelor's Degrees</i>				
<i>Year</i>	<i>New England</i>	<i>North Central</i>	<i>South</i>	<i>Pacific</i>
1970-71	6,100	7,200	6,700	3,300
1971-72	6,700	7,900	7,800	3,500
1972-73	7,000	8,500	8,700	4,000
1973-74	7,400	9,300	9,500	4,200
1974-75	7,700	9,900	10,400	4,400
1975-76	8,000	10,400	11,000	4,700
<i>Master's Degrees</i>				
1970-71	500	800	500	200
1971-72	700	900	600	400
1972-73	800	1,100	800	400
1973-74	1,100	1,200	900	400
1974-75	1,300	1,300	1,100	500
1975-76	1,400	1,400	1,200	600

TABLE XII
SUPPLY OF ACCOUNTING GRADUATES BY REGION
FROM AACSB MEMBER SCHOOLS
1970-71 to 1975-76

<i>Bachelor's Degrees</i>				
<i>Year</i>	<i>New England</i>	<i>North Central</i>	<i>South</i>	<i>Pacific</i>
1970-71	2,400	3,900	3,100	2,300
1971-72	2,500	4,400	3,700	2,600
1972-73	2,600	4,800	4,000	2,900
1973-74	2,700	5,100	4,200	3,100
1974-75	2,700	5,400	4,400	3,200
1975-76	2,800	5,700	4,600	3,400
<i>Master's Degrees</i>				
1970-71	400	700	400	100
1971-72	500	800	500	200
1972-73	600	900	600	200
1973-74	700	1,000	700	200
1974-75	800	1,100	800	300
1975-76	800	1,100	900	400

TABLE XIII
SUPPLY OF ACCOUNTING GRADUATES BY REGION
FROM AACSB ASSEMBLY SCHOOLS
1970-71 to 1975-76

<i>Bachelor's Degrees</i>				
<i>Year</i>	<i>New England</i>	<i>North Central</i>	<i>South</i>	<i>Pacific</i>
1970-71	2,700	2,800	2,700	900
1971-72	3,000	3,000	3,200	800
1972-73	3,200	3,200	3,700	1,000
1973-74	3,400	3,600	4,200	1,000
1974-75	3,700	3,900	4,700	1,100
1975-76	3,900	4,000	5,000	1,200
<i>Master's Degrees</i>				
1970-71	100	100	100	100
1971-72	200	100	100	200
1972-73	200	200	200	200
1973-74	400	200	200	200
1974-75	500	200	300	200
1975-76	600	300	300	200

TABLE XIV
SUPPLY OF ACCOUNTING GRADUATES BY REGION
FROM NONAFFILIATED SCHOOLS
1970-71 to 1975-76

<i>Bachelor's Degrees</i>				
<i>Year</i>	<i>New England</i>	<i>North Central</i>	<i>South</i>	<i>Pacific</i>
1970-71	1,000	500	900	100
1971-72	1,200	500	900	100
1972-73	1,200	500	1,000	100
1973-74	1,300	600	1,100	100
1974-75	1,300	600	1,300	100
1975-76	1,300	700	1,400	100

<i>Master's Degrees</i>				
1970-71				
1971-72				
1972-73				
		(negligible)		
1973-74				
1974-75				
1975-76				

TABLE XV
STATES PER REGION

<i>New England</i>	<i>North Central</i>	<i>South</i>	<i>Pacific</i>
Connecticut	Colorado	Alabama	Alaska
Delaware	Illinois	Arkansas	Arizona
Maine	Indiana	Florida	California
Maryland	Iowa	Georgia	Hawaii
Massachusetts	Kansas	Kentucky	Idaho
New Hampshire	Michigan	Louisiana	Nevada
New Jersey	Minnesota	Mississippi	Oregon
New York	Missouri	New Mexico	Utah
Pennsylvania	Montana	North Carolina	Washington
Rhode Island	Nebraska	Oklahoma	
Vermont	North Dakota	South Carolina	
	Ohio	Tennessee	
	South Dakota	Texas	
	West Virginia	Virginia	
	Wisconsin		
	Wyoming		

TABLE XVI
RATES OF INCREASE IN SUPPLY
1970-71 to 1975-76

<i>Year</i>	<i>Bachelor's Degrees</i>	<i>Master's Degrees</i>
1970-71	13%	43%
1971-72	11%	30%
1972-73	9%	19%
1973-74	8%	16%
1974-75	7%	17%
1975-76	5%	10%

TABLE XVII
DEMAND FOR PUBLIC ACCOUNTING RECRUITS
1967-68 to 1975-76

<i>Year</i>	<i>Educational Level</i>			<i>Total Demand</i>
	<i>Less than Bachelor's</i>	<i>Bachelor's Degree</i>	<i>Master's Degree</i>	
1967-68	200	6,600	1,500	8,300
1968-69	200	9,600	1,800	11,600
1969-70	300	9,900	1,900	12,100
1970-71	100	5,300	1,600	7,000
1971-72	100	7,000	2,000	9,100
1972-73	100	8,500	2,600	11,200
1973-74	100	9,400	3,000	12,500
1974-75	100	10,400	3,700	14,200
1975-76	100	11,400	4,400	15,900

NOTE: As explained in the report, this demand is based upon a survey of firms with 10 or more Institute members.

TABLE XVIII
RATES OF INCREASE IN DEMAND
1970-71 to 1975-76

<i>Year</i>	<i>Bachelor's Degrees</i>	<i>Master's Degrees</i>
1970-71	(46%)	(14%)
1971-72	32%	25%
1972-73	21%	30%
1973-74	11%	15%
1974-75	11%	23%
1975-76	10%	19%

TABLE XIX
COMPARISON OF 1972 AND 1971 DEMAND STUDIES
1970-71 to 1975-76

<i>Year</i>	<i>Less than Bachelor's</i>		<i>Educational Level Bachelor's Degree</i>		<i>Master's Degree</i>		<i>Total Demand</i>	
	<i>1972 Study</i>	<i>1971 Study</i>	<i>1972 Study</i>	<i>1971 Study</i>	<i>1972 Study</i>	<i>1971 Study</i>	<i>1972 Study</i>	<i>1971 Study</i>
1970-71	100	100	5,300	6,400	1,600	1,800	7,000	8,300
1971-72	100	100	7,000	8,600	2,000	2,300	9,100	11,000
1972-73	100	100	8,500	9,500	2,600	2,800	11,200	12,400
1973-74	100	100	9,400	10,200	3,000	3,500	12,500	13,800
1974-75	100	100	10,400	11,300	3,700	4,200	14,200	15,600
1975-76	100	—	11,400	—	4,400	—	15,900	—

TABLE XX
RELATIONSHIP BETWEEN SUPPLY OF ACCOUNTING
GRADUATES AND DEMAND FOR PUBLIC ACCOUNTING RECRUITS
1967-68 to 1975-76

<i>Year</i>	<i>Supply of Graduates</i>	<i>Demand for Recruits</i>	<i>Ratio (%)</i>	<i>Ratio Per 1971 Study (%)</i>
1967-68	18,900	8,100	42	42
1968-69	20,400	11,400	56	56
1969-70	22,100	11,800	53	53
1970-71	25,300	6,900	27	34
1971-72	28,500	9,000	32	41
1972-73	31,300	11,100	35	42
1973-74	34,000	12,400	36	44
1974-75	36,600	14,100	38	46
1975-76	38,700	15,800	41	—

TABLE XXI
RELATIONSHIP BETWEEN SUPPLY OF AND DEMAND
FOR HOLDERS OF BACHELOR'S DEGREES
1967-68 to 1975-76

<i>Year</i>	<i>Supply of Graduates</i>	<i>Demand for Recruits</i>	<i>Ratio (%)</i>	<i>Ratio Per 1971 Study (%)</i>
1967-68	17,400	6,600	38	36
1968-69	18,800	9,600	51	49
1969-70	20,700	9,900	48	46
1970-71	23,300	5,300	23	28
1971-72	25,900	7,000	27	35
1972-73	28,200	8,500	30	36
1973-74	30,400	9,400	31	36
1974-75	32,400	10,400	32	38
1975-76	34,100	11,400	33	—

TABLE XXII
RELATIONSHIP BETWEEN SUPPLY OF AND DEMAND
FOR HOLDERS OF MASTER'S DEGREES
1967-68 to 1975-76

<i>Year</i>	<i>Supply of Graduates</i>	<i>Demand for Recruits</i>	<i>Ratio (%)</i>	<i>Ratio Per 1971 Study (%)</i>
1967-68	1,500	1,500	100	100
1968-69	1,600	1,800	113	120
1969-70	1,400	1,900	136	136
1970-71	2,000	1,600	80	90
1971-72	2,600	2,000	77	92
1972-73	3,100	2,600	84	93
1973-74	3,600	3,000	83	95
1974-75	4,200	3,700	88	98
1975-76	4,600	4,400	96	—

NOTE: As explained in the report, the supply determined in this study does not include all recipients of the master's degree who might seek employment in public accounting.